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REILLY INDUSTRIES, INC.

300 NORTH MERIDIAN STREET  
SUITE 1500  
INDIANAPOLIS, INDIANA 46204-1763

TELEPHONE 317 638-7531  
FAX 317 248-6472



WRITER'S TELEPHONE 317 248-6512  
WRITER'S FACSIMILE 317 248-6546  
WRITER'S INTERNET E-MAIL [afrye@reillyind.com](mailto:afrye@reillyind.com)

August 27, 2001

Doug Jenson  
Division of Oil, Gas & Mining  
1594 West North Temple  
Suite 1210  
P.O. Box 145801  
Salt Lake City, UT 84114-5801

In re: Reclamation Bond

Dear Mr. Jenson:

As we discussed last Friday, I am enclosing a photocopy of the reclamation bond that was issued in September 2000 by Reilly Industries, Inc. and Travelers Casualty and Surety Company of America. If you need any further documents or information, please feel free to contact me.

Thank you for your assistance in this matter.

Sincerely,

REILLY INDUSTRIES, INC.

Anne M. Frye  
General Counsel

Cc: Greg Foy  
David Schwind

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Form 3504-3  
(September 1977)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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DIVISION OF  
OIL, GAS AND MINING

Serial Number

U-087809 through U-087818

Bond Number

BOND\* UNDER LEASE FOR  
MINING Potassium DEPOSITS

KNOW ALL MEN BY THESE PRESENTS, That Reilly Tar & Chemical Corporation  
of 300 North Meridian Street, Indianapolis, IN, as principal,  
and Travelers Casualty and Surety Company of America  
of Connecticut, as surety,

are held and firmly bound unto the United States in the sum of Fifty-Five Thousand and No/100-----dollars

(\$ 55,000.00 ), lawful money of the United States, for the payment of which, well and truly to be made, we bind ourselves, and each of us, and each of our heirs, executors, administrators, and successors, jointly and severally, firmly by these presents.

The conditions of this obligation are such, that whereas the said principal entered into a lease of the lands described therein and upon conditions therein expressed, which lease bears the above serial number.

Now, THEREFORE, if the said principal, his heirs, executors, administrators, or successors, shall faithfully carry out the obligations and observe the requirements of said lease, and shall duly keep, perform, and abide by each and every term and provision of said lease as therein stipulated and agreed, then this obligation shall be null and void; otherwise to remain in full force and effect.

Signed on this 18th day of September, 192000 in the presence of:

Reilly Tar & Chemical Corporation

By: Wm. J. Stann Vice President  
(Signature of Principal)

300 North Meridian Street  
Indianapolis, IN 46204

(Address of Principal)

Travelers Casualty and Surety Company of America

By: Ellen L. Crooks

Ellen L. Crooks (Signature of Surety) Attorney-In-Fact

215 Shuman Boulevard

Naperville, IL 60563

(Address of Surety)

(Signature of Surety)

Betty J. Stann  
(Signature of Witness)

(Address of Witness)

John B. Fuby  
(Signature of Witness)

(Address of Witness)

(Signature of Witness)

(Address of Witness)

\* This form of bond may be used in connection with coal, phosphate, and sodium leases, Act of February 25, 1920, as amended (30 U.S.C. 181 et seq.); potassium leases, Act of February 7, 1927, as amended (30 U.S.C. 281 et seq.); sulphur leases, Act of April 17, 1926, as amended (30 U.S.C. 271 et seq.); all such leases involving acquired lands, Act of August 7, 1947 (30 U.S.C. 351), and asphalt leases, Act of June 28, 1944 (58 Stat. 463, 483-485), by inserting the particular mineral applicable in the space provided therefor. If this bond is executed by a corporation, it must bear the corporate seal.





BLM Bond No.:

Surety Bond No.:

RIDER

It is hereby agreed by and between the undersigned principal(s) and surety, in consideration for the additional premium or consideration paid for this rider, if any, and the consent by the Bureau of Land Management on behalf of the United States to terminate the period of liability on Bond Nos. U673064, U673065, U673066, U673067, U673068, U673069, U673071, U673072, U673073, U673074 and U1445445 carrying the same principal(s) and Travelers Casualty and Surety Company of America as surety, the undersigned principal(s) and surety hereby assume any all liabilities that may be outstanding on Bond Nos. U673064, U673065, U673066, U673067, U673068, U673069, U673071, U673072, U673073, U673074 and U1445445 including, but not limited to, the obligation to properly reclaim all surface royalties heretofore accruing: provided, however, that this rider shall not act to increase the potential or cumulative liability of the surety above the face amount of the bond to which this rider attached. In the event of claim on one permit, the maximum liability would be \$5,000.

Executed this 18th day of September 2000.

Witnesses:

Betty J. Shannon

Reilly Tar & Chemical Corporation

By: Max A. Stinson, Vice President  
Principal and Title

Address

Travelers Casualty & Surety Co of America

By: Ellen L Crooks  
Surety Attorney-In-Fact

215 Shuman Boulevard  
Naperville, IL 60563-8458

Address

James J. Juby

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TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA  
TRAVELERS CASUALTY AND SURETY COMPANY  
FARMINGTON CASUALTY COMPANY  
Hartford, Connecticut 06183-9062

**POWER OF ATTORNEY AND CERTIFICATE OF AUTHORITY OF ATTORNEY(S)-IN-FACT**

KNOW ALL PERSONS BY THESE PRESENTS, THAT TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, TRAVELERS CASUALTY AND SURETY COMPANY and FARMINGTON CASUALTY COMPANY, corporations duly organized under the laws of the State of Connecticut, and having their principal offices in the City of Hartford, County of Hartford, State of Connecticut, (hereinafter the "Companies") hath made, constituted and appointed, and do by these presents make, constitute and appoint: *Richard L. Badertscher, Ellen L. Crooks, Mary A. Steele, Patricia A. Vornholt*, of *Indianapolis, Indiana*, their true and lawful Attorney(s)-in-Fact, with full power and authority hereby conferred to sign, execute and acknowledge, at any place within the United States, the following instrument(s): by his/her sole signature and act, any and all bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking and any and all consents incident thereto and to bind the Companies, thereby as fully and to the same extent as if the same were signed by the duly authorized officers of the Companies, and all the acts of said Attorney(s)-in-Fact, pursuant to the authority herein given, are hereby ratified and confirmed.

This appointment is made under and by authority of the following Standing Resolutions of said Companies, which Resolutions are now in full force and effect:

VOTED: That the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President, any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary may appoint Attorneys-in-Fact and Agents to act for and on behalf of the company and may give such appointee such authority as his or her certificate of authority may prescribe to sign with the Company's name and seal with the Company's seal bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking, and any of said officers or the Board of Directors at any time may remove any such appointee and revoke the power given him or her.

VOTED: That the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President may delegate all or any part of the foregoing authority to one or more officers or employees of this Company, provided that each such delegation is in writing and a copy thereof is filed in the office of the Secretary.

VOTED: That any bond, recognizance, contract of indemnity, or writing obligatory in the nature of a bond, recognizance, or conditional undertaking shall be valid and binding upon the Company when (a) signed by the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary and duly attested and sealed with the Company's seal by a Secretary or Assistant Secretary, or (b) duly executed (under seal, if required) by one or more Attorneys-in-Fact and Agents pursuant to the power prescribed in his or her certificate or their certificates of authority or by one or more Company officers pursuant to a written delegation of authority.

**This Power of Attorney and Certificate of Authority is signed and sealed by facsimile under and by authority of the following Standing Resolution voted by the Boards of Directors of TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, TRAVELERS CASUALTY AND SURETY COMPANY and FARMINGTON CASUALTY COMPANY, which Resolution is now in full force and effect:**

VOTED: That the signature of each of the following officers: President, any Executive Vice President, any Senior Vice President, any Vice President, any Assistant Vice President, any Secretary, any Assistant Secretary, and the seal of the Company may be affixed by facsimile to any power of attorney or to any certificate relating thereto appointing Resident Vice Presidents, Resident Assistant Secretaries or Attorneys-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and any such power of attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding upon the Company in the future with respect to any bond or undertaking to which it is attached.

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IN WITNESS WHEREOF, TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, TRAVELERS CASUALTY AND SURETY COMPANY and FARMINGTON CASUALTY COMPANY have caused this instrument to be signed by their Senior Vice President, and their corporate seals to be hereto affixed this 11th day of July, 2000.

STATE OF CONNECTICUT

}SS. Hartford

COUNTY OF HARTFORD

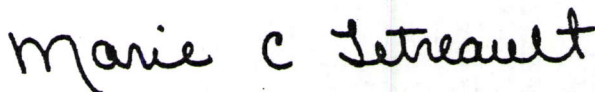


TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA  
TRAVELERS CASUALTY AND SURETY COMPANY  
FARMINGTON CASUALTY COMPANY

By   
George W. Thompson  
Senior Vice President

On this 11th day of July, 2000 before me personally came **GEORGE W. THOMPSON** to me known, who, being by me duly sworn, did depose and say: that he/she is Senior Vice President of **TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, TRAVELERS CASUALTY AND SURETY COMPANY** and **FARMINGTON CASUALTY COMPANY**, the corporations described in and which executed the above instrument; that he/she knows the seals of said corporations; that the seals affixed to the said instrument are such corporate seals; and that he/she executed the said instrument on behalf of the corporations by authority of his/her office under the Standing Resolutions thereof.





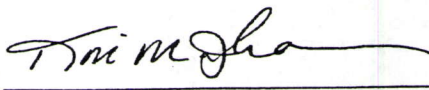
My commission expires June 30, 2001 Notary Public  
Marie C. Tetreault

#### CERTIFICATE

I, the undersigned, Assistant Secretary of **TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, TRAVELERS CASUALTY AND SURETY COMPANY** and **FARMINGTON CASUALTY COMPANY**, stock corporations of the State of Connecticut, DO HEREBY CERTIFY that the foregoing and attached Power of Attorney and Certificate of Authority remains in full force and has not been revoked; and furthermore, that the Standing Resolutions of the Boards of Directors, as set forth in the Certificate of Authority, are now in force.

Signed and Sealed at the Home Office of the Company, in the City of Hartford, State of Connecticut. Dated this 18th day of September, 2000.



By   
Kori M. Johanson  
Assistant Secretary, Bond

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STATE OF INDIANA )  
 ) SS.  
COUNTY OF MARION)

I, Patricia A. Vornholt a Notary Public in and  
for said County and State, do hereby certify that ELLEN L. CROOKS,  
Attorney-In-Fact, of TRAVELERS CASUALTY & SURETY  
COMPANY OF AMERICA, who is personally known to me to be the  
same person whose name is subscribed to the foregoing instrument,  
appeared before me this day in person, and acknowledged that she  
signed, sealed, and delivered said instrument, for and on behalf of  
TRAVELERS CASUALTY & SURETY COMPANY OF AMERICA,  
for the uses and purposes therein set forth. Given under my hand and  
notarial seal, this 18th day of September 2000.

Patricia A. Vornholt  
Notary Public

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**UTAH STATE LEASE NUMBERS**

REILLY WENDOVER

MINERAL LEASES

SURFACE USE LEASE AGREEMENTS

ML-18959	
ML-18960	70
ML-18961	130
ML-18962	71
ML-18963	72
ML-18964	73
ML-18965	74
ML-18966	75
ML-18967	76
ML-19781	77
ML-19782	78
ML-19783	79